What Would It Take to Dramatically Increase Mobility from Poverty?

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American Dream

Work hard,
get ahead
American Dream

Work hard,
get ahead

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You do well,
your children
do better
American Dream

Work hard, get ahead

You do well, your children do better

Today’s Reality

Children less likely to do better
American Dream

Work hard, get ahead

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Today’s Reality

Hard work isn’t enough

Children less likely to do better
American Dream

Work hard, get ahead

You do well, your children do better

Today’s Reality

Place matters

Hard work isn’t enough

Children less likely to do better
Children *less likely* to do better than their parents
% of children earning more than their parents

Source: Chetty et al. "The Fading American Dream: Trends in Absolute Income Mobility Since 1940"
Hard work isn’t enough
Nowhere in the US can a FT minimum wage worker afford a 2-BD apartment
Disparities by race, gender, & immigration status persist
Share of workers ages 18-64 who earn low wages

- White
- Black
- Hispanic

Source: US Partnership on Mobility from Poverty calculations, based on March 2016 CPS-ASEC data.
Place matters
Chances of moving from bottom 20% as children to top 20% as adults

Upward Mobility for Children of All Races in Southwest Minnesota
Upward Mobility for **American Indian** Children in Southwest Minnesota
Upward Mobility for Asian Children in Southwest Minnesota
Upward Mobility for Hispanic Children in Southwest Minnesota

Household Income for Hispanic Children of Low Income Parents
Upward Mobility for Black Children in Southwest Minnesota

Household Income for Black Children of Low Income Parents
Poverty is isolating & stigmatizing
Beliefs about Attributes of “the Poor” & Middle Class

What would it take to dramatically increase mobility from poverty?
The Partners

David T. Ellwood, Chair
Harvard Kennedy School

Elisabeth Babcock
Economic Mobility Pathways

Joshua Bolten
Business Roundtable

Arthur C. Brooks
American Enterprise Institute

William J. Bynum
Hope Enterprise Corporation

Raj Chetty
Stanford University

Rev. Luis Cortés, Jr.
Esperanza

Jennifer L. Eberhardt
Stanford University

Kathryn Edin
Princeton University

Robert Greenstein
Center on Budget and Policy Priorities

Cheryl L. Hyman
formerly City Colleges of Chicago

Anthony B. Iton
The California Endowment

Lawrence Katz
Harvard University

N. Gregory Mankiw
Harvard University

Ai-jen Poo
National Domestic Worker Alliance;
Caring Across Generations

john a. powell
Haas Institute for a Fair and Inclusive Society

Cecilia Rouse
Princeton University

Juan Salgado
City Colleges of Chicago

Eldar Shafir
Princeton University

Srinija Srinivasan
Loove

Marta Tienda
Princeton University

Jeremy Travis
Laura and John Arnold Foundation

Roxane White
The Aspen Institute

Hirokazu Yoshikawa
New York University
Dreaming: Big Themes
The Power of Place

Behavioral Psychology, Economics & Brain Science

Stability

Move Forward

High Mobility

US Partnership on Mobility from Poverty, 05.12.16.
We are in an era of change. Labor laws are outdated. We need a flexible, modern system.

Race, Inclusion, Rights, & Dignity: Defining who we are.

In the shift of the labor market, caregiving jobs are the fastest growing yet they make very little income. 43% of Americans make under $15/hour.

We want mixed income housing. How do we get people to live in one?

Shifting Market Forces:
- People are being replaced by automation and technology.
- Unskilled labor.

Income inequality starts increasing in the mid-70s.

How will caregiving jobs be affected? Ensure we make the right decisions.

US Partnership on Mobility from Poverty. 05.12.16.
Exploration: Building Blocks for Mobility
Building Blocks for Mobility

- Family Formation & Stability
- Parenting Skills
- High Quality Child Care & Early Learning
- Community Building & Social Capital
- Elementary & Secondary Education
- Postsecondary Education
- Employment & Training
- Wages, Wage Supplements, & Work Supports
- Cash or Near-Cash Safety Net
- Asset Formation & Access to Capital
- Health & Mental Health
Site Visits: Mississippi Delta
Site Visits: Mayfair, East San Jose
Mobility Definition

Mobility

Economic Success

Being Valued in Community

Power and Autonomy
Strategies

Change the narrative
Narratives are like the air we breathe: It’s the context for everything.

— Ai-jen Poo, Partnership member
People in poverty have no one to blame but themselves.

People in poverty are victims of systems that hold them back.

“Rags-to-riches” stories prove the American Dream is achievable.
Narrative: Solutions

Humanize people in poverty

Expose structural forces

Identify allies
Strategies

Change the narrative

Create access to good jobs
Create Access to Good Jobs

Robots don’t yet do empathy.
— Larry Katz, Partnership member
Strategies

Change the narrative

Create access to good jobs

Ensure zip code is not destiny
Ensure Zip Code is Not Destiny

The community [should] work with people for solutions. It works if you feel like you’re both understanding why you’re doing it and you have a choice in it. As opposed to something being done to you.

—African American woman & Detroit resident
Strategies

- Change the narrative
  - Create access to good jobs
  - Ensure zip code is not destiny
  - Provide support that empowers
Lummi people do not consider themselves poor because they are following the values of their elders: family, land & water, balance, love & respect, and voice. There is no word for poverty in their language. It would most closely translate to, “to be without family,” which would never happen.

—Lummi woman & resident of Lummi Nation
Strategies

Change the narrative

- Create access to good jobs
- Ensure zip code is not destiny
- Provide support that empowers

Transform data use
We review every child death that happened in the city...In many cases, each of us has a file on the child or the family at least an inch thick.

—Dr. Leana Wen, Commissioner of Health, City of Baltimore
Mutually reinforcing strategies

+ Cross-sector collaboration
Cue the video!
For further information

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